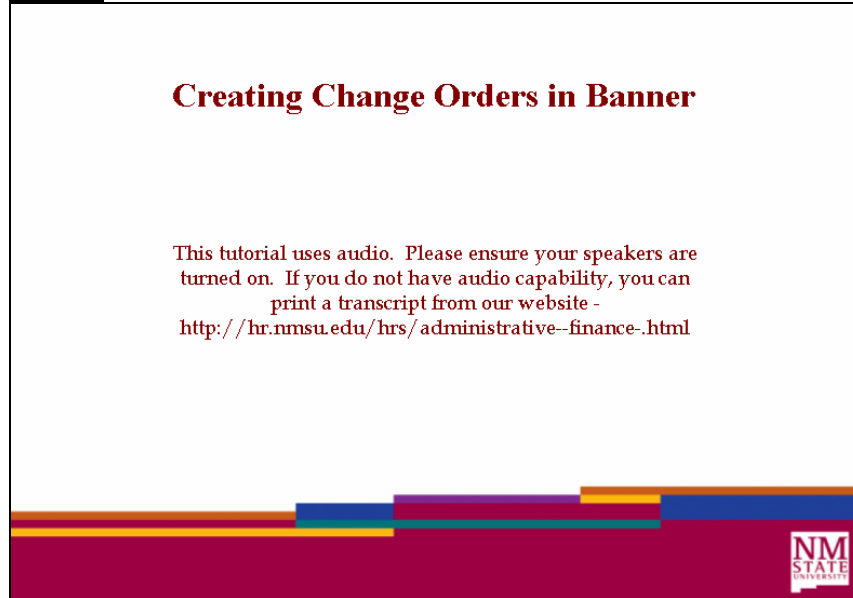


Slide1



Creating Change Orders in Banner

This tutorial uses audio. Please ensure your speakers are turned on. If you do not have audio capability, you can print a transcript from our website - <http://hr.nmsu.edu/hrs/administrative--finance-.html>

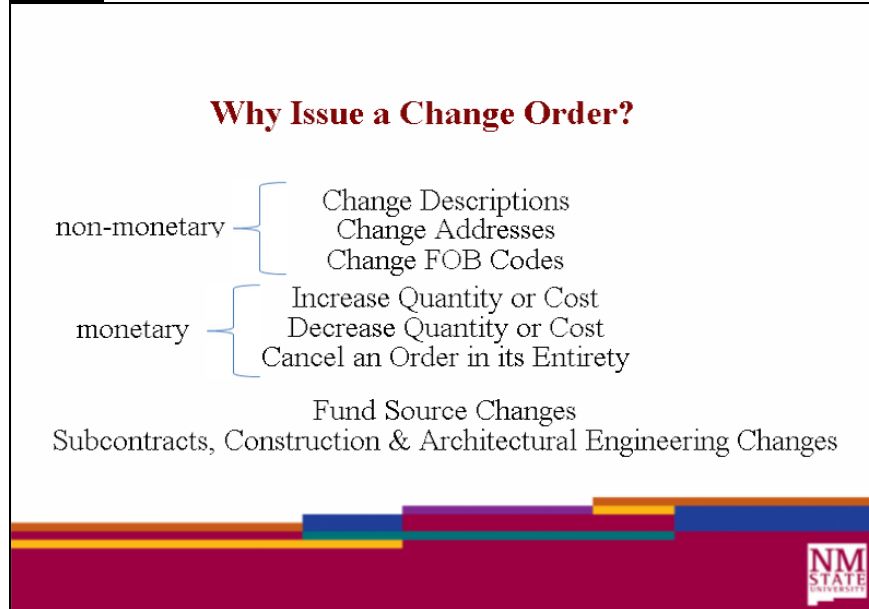
NM STATE UNIVERSITY

Narration:

Effective July 1, 2010, monetary change orders will be processed through the purchase requisition process in Banner. As directed by the NMSU Controller's Office, this training is mandatory for all personnel who process change orders for your department. This short tutorial will discuss the change order process. At the conclusion of this tutorial, you will be directed to a website that will record your training. Do not exit the tutorial without completing the entire tutorial and the web form if you wish to have your training documented.

If you are not familiar with the purchase requisition process in Banner, it is suggested that you first attend the Banner Finance Procurement training class offered through NMSU Center for Learning & Professional Development or download the user manual from our website.

Slide2



Narration:

Change orders are used to make changes to a purchase order. Common changes include:

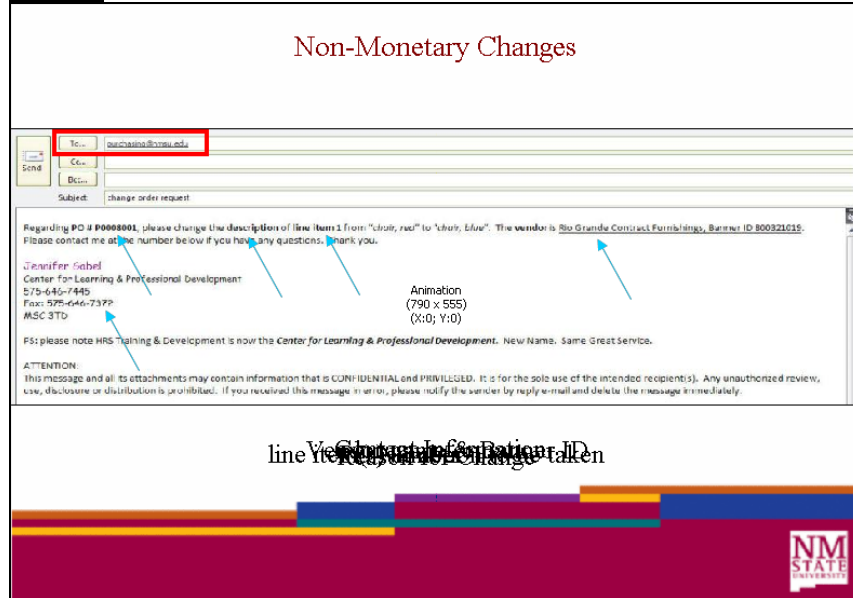
- Change descriptions
- Change addresses
- Change freight on board codes
- Increase quantity or cost
- Decrease quantity or cost
- Cancel an order in its entirety

These changes are classified as non-monetary or monetary changes and the process to submit the change order differs depending on the classification of your change.

Change orders to change the funding sources (i.e. index or account codes) are made using the existing change order form available on the Business & Finance Forms website.

Subcontracts, Construction and Architectural Engineering types of changes continue to use the established routing process. For subcontracts, these should be routed to Sponsored Projects Accounting and Construction and AE should be routed to the Office of Facilities Services.

Slide3



Narration:


Non-monetary changes (including change of descriptions, addresses, or FOB codes) simply require an email to purchasing@nmsu.edu. The email must contain the following information.

- Original PO number
- Reason for the change
- Line item(s) to change
- Vendor name and Banner ID (must be same as the original PO)
- And your contact information

Slide4

Monetary Changes

Create Purchase Requisition using Banner Form FPAREQN
Use Commodity Level Accounting Only
Transaction & Delivery Date are Today's Date
Ship To Code must be same as Original PO
Vendor Code must be same as Original PO



Narration:

Monetary change orders require a more formal process. They are processed using a purchase requisition created in Banner form FPAREQN. If you are not familiar with the purchase requisition process, please attend the Banner Finance Procurement class or download the user manual from our website.

Change orders are processed using Commodity Level Accounting only. This is the default purchase requisition method.


The transaction and delivery dates are set to Today's date.

The Ship To code and Vendor code must be the same as the original PO.

Slide5

Monetary Changes - Increases

Commodity code = 0100
Quantity = 1
Unit price is total amount of increase
Charge same Index & Account(s) as original PO



Narration:

If your change is an increase in the amount of the purchase order, you will follow the process outlined in the next few slides.

Create a purchase requisition using form FPAREQN. Remember the Ship to code and Vendor codes must be the same as the original purchase order.

You will only have one line item regardless of the number of lines you are changing on the original PO. The change order line item will use commodity code 0100. Do not change the item description. As you will see on the next slide, the commodity code 0100 designates the requisition as a change order.

The quantity is always one regardless of the number of items being changed. The unit price for an increase change order is the total amount of the changes to be applied to the entire purchase order.

Be sure to use the same index and account numbers that were used on the original PO.

The next slide shows an example of an increasing change order.

Slide6

Requisition Entry: Commodity/Accounting

Requisition: R0086033
Order Date: 31-MAR-2010
Delivery Date: 31-MAR-2010
Transaction Date: 31-MAR-2010
Comments:
Commodity Total: 1,500.00
Accounting Total: 1,500.00

Requestor/Delivery Information Vendor Information Commodity/Accounting Balancing/Completion

Item	LU	Index	Account	Description	Quantity	Unit Price	Extended	Discount	Additional
V	LU	112799	111260	530350	731000	1800	Zoom Destination Area (725 x 142) (X:30; Y:235)	1,500.00	0.00

FOAPAL Line Total: 1,500.00
Commodity Accounting Total: 1,500.00

Narration:

As previously discussed, the commodity code for change orders is always 0100 and the description is populated for you. Do not change this description as this helps to identify the requisition as a change order to your approvers.

The quantity is one for all change orders and the unit price is the total amount of the increase for the entire PO.


The index number and account code are the same as on the original PO.

It is imperative that you use Document Text to document the changes you want made. Access document text from the Options menu.

Slide7

Document Text

"Change Order"
Original PO Number
Vendor Name & ID
"Increase", "Decrease", or "Cancel"
Reason for Change
Action to be taken and Line Items to be changed
Total line change



Narration:

In document text, include the following information:

- Enter "Change Order" on the first line.

On subsequent lines, enter the following information in the order provided.

- Original PO number
- The vendor name and ID number (this must be the same as the original PO)
- Increase, Decrease, or Cancel
- The reason for the change
- Specific action to be taken and the line items to be changed
- The total line change amount

For consistency purposes and to ensure that Procurement Services & Risk Management receives the correct information effected by the change, follow the format provided.

Slide8

The screenshot displays the PURCHASING Text Entry Form (TEF) interface. The form is titled "Change Order" and contains the following information:

- PO number: P0080001
- Vendor: Rio Grand Contract Furnishings: 000321019
- Reason: Unit price input incorrectly
- Action: increase unit price on line item 1
- from \$500 to \$2000
- for a total line change of \$1500

The form also includes a "Zoom Destination Area" section with coordinates (474 x 510) and (X:290; Y:10).

Narration:

In our example, the document text shows all the elements we just discussed. The 4th line indicates that this change order is an increase. The reason for the change is the unit price was input incorrectly. The last 3 lines tell Purchasing exactly what needs to be changed. In this case, to increase the unit price of line item 1 from \$500 to \$2000 for a total line change of \$1500.

This change order will encumber an additional \$1500 from original budget amounts.

Be sure to save your document text before exiting.

Next we'll look at change orders to decrease the amount or cancel an order.

Slide9

Monetary Changes - Decreases

Commodity code = 0100
Quantity = 1
Unit price is \$1 per Index changed
Charge same Index & Account(s) as original PO



Narration:

Because we are using the purchase requisition form to create change orders, any money assigned to the change order encumbers that amount against your budget. To avoid unnecessary budget concerns, change orders for decreases or purchase order cancellations will not use the full amount of the change on the change order request.

As before, we will use commodity code 0100 and a quantity of 1. The difference is in the amount. For each FOAPAL you are changing, enter \$1. In other words, if you only have one index and account code combination on the change, the amount will be \$1. If however, you have 2 indices to change, the amount will be \$2.00. And again, use the same index and account codes as on the original PO.

Slide10

Requestion Entry: Commodity/Accounting

Requisition: R0086033
Order Date: 01-MAR-2010
Delivery Date: 01-MAR-2010
Transaction Date: 01-MAR-2010
Comments:
In Suspense
Document Text
Document Level Accounting

Accounting Total: 2.00

Requestion/Devery Information

Item	1	of	1	U/M	CA	Quantity	Unit Price	Extended
						1.00	2.0000	2.00

COA Year	Index	Fund	Origin	Amd	Proj	Actv	Item	Proj	Discount	Additional	Tax	FOAPAL Line Total	Commodity Accounting Total
M	10	112799	11260	500350	731000	1000						1.00	2.00
N	10	100793	110006	500350	731000	1310						1.00	2.00

FOAPAL Line Total: 1.00
Commodity Accounting Total: 2.00

Narration:


In this example, we used the change order commodity code 0100. The quantity is still 1. Notice the unit price is \$2.00. In our FOAPAL block, we are changing 2 index numbers and charging \$1.00 to each index.

As with an increase change order, we need to document all our changes in document text.

Slide11

Document Text

"Change Order"
Original PO Number
Vendor Name & ID
"Increase", "Decrease", or "Cancel"
Reason for Change
Action to be taken and Line Items to be changed
Total line change



Narration:

In document text, include the following information:

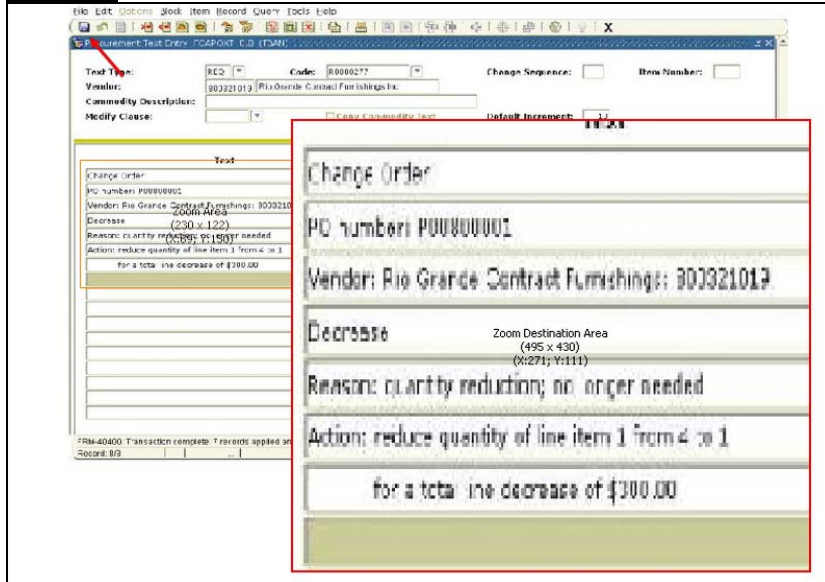
- Enter "Change Order" on the first line.

On subsequent lines, enter the following information in the order provided.

- Original PO number
- The vendor name and ID number (this must be the same as the original PO)
- Increase, Decrease, or Cancel
- The reason for the change
- Specific action to be taken and the line items to be changed
- The total line change amount

For consistency purposes and to ensure that Procurement Services & Risk Management receives the correct information effected by the change, follow the format provided.

Slide12



Change Order

Text Type: REC Code: 00000277 Change Sequence: Item Number:

Vendor: 803221013 Rio Grande Contract Furnishings, Inc. Commodity Description: Modify Clause:

Change Order

PC number: P00800001

Vendor: Rio Grande Contract Furnishings, Inc. 803221013

Decrease (230 x 122)

Reason: quantity reduction; no longer needed

Action: reduce quantity of line item 1 from 4 to 1

for a total line decrease of \$300.00

Narration:

In our example of a decrease change order, the document text shows all the elements we just discussed. The 4th line indicates that this change order is a decrease. The reason for the change is a quantity reduction because some items are no longer needed. The last 2 lines tell Purchasing exactly what needs to be changed. In this case, to decrease the quantity of line item 1 from 4 to 1 for a total line decrease of \$300. Since we did not use the full amount on the Commodity screen, be sure to include the total amount of the deduction in your document text.

Remember to save your document text before exiting.

As with all purchase requisitions, remember to click on the Balancing/Completion tab to complete and route your requisition for approval.

The next few slides will review the information we have discussed in this tutorial. You will be asked to answer several questions on what you have learned about the change order process.

Slide 13

Review - Select the Best Answer

What dollar amount is used when creating a purchase order to decrease the amount of the original PO?

- ☐ A) \$1
- ☒ B) \$1 per FOAPAL changed
- ☐ C) total amount of change entered as a positive number
- ☐ D) total amount of change entered as a negative number

Review Area
(357 x 89)
(X:24; Y:384)

Y
queTry againg

Question 1 of 3

Back

Skip

Clear

Submit

Correct - Click

Incorrect - Click
anywhere or press 'y' to
continue

Narration:

Select the best answer and then click on the “submit” button.

Slide 14

Review - Select the Best Answer

What commodity code is used when creating change orders?

- ☒ A) 0100
- ☐ B) 0101
- ☐ C) 1000
- ☐ D) 1001

Review Area
(357 x 89)
(X:24; Y:384)

Incorrect - Click
anywhere or press 'y' to
continue

Try again

You must answer the question
before continuing

Question 2 of 3

Back

Skip

Clear

Submit

Narration:

Select the best answer and then click on the “submit” button.

Slide 15

Review - Select the Best Answer

Where do you document the specific changes you need when making monetary changes to a purchase order?

- ☐ A) Item Text
- ☒ B) Document Text
- ☐ C) Edit the Description Field
- ☐ D) Send an Email to Purchasing

Incorrect - Click anywhere or press 'y' to continue

Review Area
(357 x 89)
(X:24; Y:384)

You

Try again

stion

Question 3 of 3

Clear

Back

Skip

Submit

Narration:

Select the best answer and then click on the “submit” button.

Slide 16

Your Score:	{score}
Max Score:	{max-score}
Questions Correct:	{correct-questions}
Number of Questions:	{total-questions}
Accuracy:	{percent}
Number of Quiz Attempts:	{total-attempts}

Review Area
(642 x 46)
(X:74; Y:435)

Continue

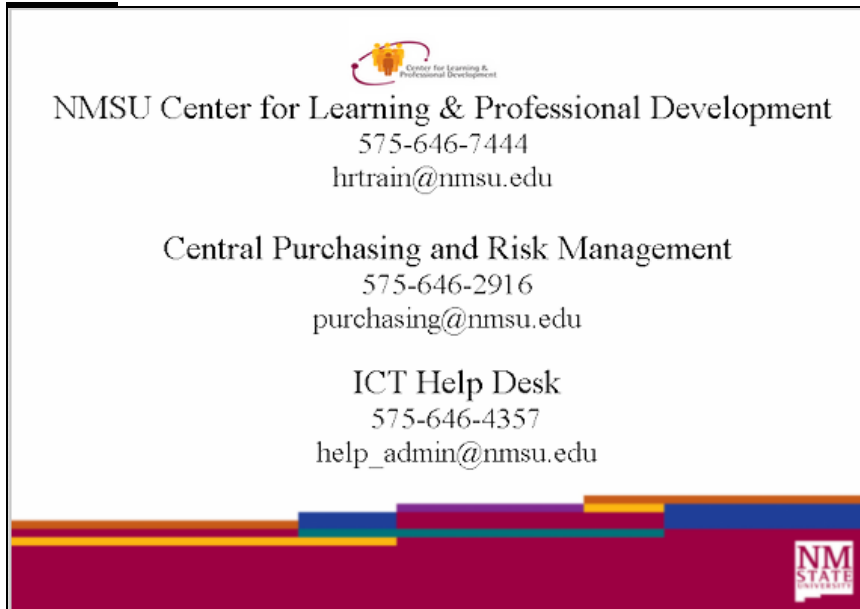
Review Quiz

Send E-mail

Narration:

Here is a summary of your quiz responses. Click “send email” to submit your score. Please add your full name to the email body. Click the continue button to continue to the next slide.

Slide17



Narration:

This concludes the tutorial on creating change orders. Do not close this presentation yet! The next screen will direct you to a web site that will record your completion of the training. If you do not submit the final form, your training will not be recorded.

For additional information, training opportunities, or assistance, please contact NMSU Center for Learning & Professional Development at 575-646-7444 or email us at training@nmsu.edu.



For purchasing or change order assistance, contact Central Purchasing at 575-646-2916 or send an email to purchasing@nmsu.edu.

For Banner assistance & technical support, contact the Help Desk at 575-646-4357 or send an email to help_admin@nmsu.edu.

Slide 18

Thank you for viewing the tutorial on creating change orders. You will now be directed to a web site to record that training was completed. Please be sure to complete the web form to receive credit for the training.

Click to Proceed



Narration:

Thank you for viewing the tutorial on creating change orders. Click the “proceed” button to be directed to a web form for submitting your training results. If you do not submit the form on this site, you will not receive credit for completing the training. As noted at the beginning of this tutorial, this training is mandatory so be sure to complete the web form to have your training documented. If you are unable to submit the form, please contact the Center for Learning & Professional Development at 575-646-7444.